

**MINUTES OF THE MEETING OF THE  
UNIFORM COMMERCIAL CODE COMMITTEE  
OF THE BUSINESS LAW SECTION  
OF THE STATE BAR OF CALIFORNIA**

Tuesday, February 20, 2007

(9:30 am. to 11:00 a.m.)

Offices of Pillsbury Winthrop Shaw Pittman LLP (“PWSP”)

The February 20, 2007 meeting of the Uniform Commercial Code Committee (the “Committee”) was called to order at approximately 9:45 a.m., with Barry Dubin presiding.

**A. ADMINISTRATIVE MATTERS**

1. **Roll Call/Attendance.** Please refer to the attendance sheet at the end of the minutes.

2. **Consideration/Approval of January 9, 2006 Meeting Minutes.** The minutes of the January 9, 2007 meeting were approved.

3. **Future Meeting Dates and Sites.**

a. **March Meeting** – The March Committee meeting will be held on Tuesday, March 13, 2007 at 9:30 a.m. via video conference in the offices of Pillsbury Winthrop Shaw Pittman LLP (SF and LA) subject to confirmation of availability.

b. **Future Meetings** - Future meetings will be held via video conference at 9:30 a.m. in the offices of Pillsbury Winthrop Shaw Pittman LLP (or in person, as indicated below) as follows, subject to confirmation of dates and availability of videoconference equipment:

- i. Wednesday, April 11, 2007;
- ii. Tuesday, May 8, 2007;
- iii. Tuesday, June 12, 2007 (in person meeting in Oakland);
- iv. Tuesday, July 10, 2007 (if held)
- v. Tuesday, August 14, 2007;
- vi. State Bar Annual Meeting location,  
September, 2007 (Details TBA).

4. **Applications to Committee.** The Committee reviewed the application of Sandra Lee Montgomery. Upon motion made, seconded and unanimously carried, the Committee voted to forward her name to the Executive Committee to be added to the membership of the Committee; her official term should begin in fall 2007. Ms. Montgomery will be invited to begin attending Committee meetings and participating in Committee projects immediately. Barry reminded everyone that there will be a significant number of openings for the new terms that begin in fall 2007, and urged everyone to think of good candidates and encourage them to apply. Vasco was asked to prepare an e-bulletin to the Committee's Constituency List, calling for qualified applicants to submit applications.

5. **Subcommittee Membership.** Barry called everyone's attention to the Subcommittee Roster distributed before the meeting, and asked anyone with corrections to call them to his attention.

## B. MAIN AGENDA ITEMS

### 1. Debtor Names Subcommittee:

Jan Kosel reported that the Subcommittee members have reviewed all debtors names cases decided under revised Article 9, and some law review articles, as well as archives from the UCC Listserv, and identified the litigated problem areas. Jan noted that the relatively small number of reported cases suggests that problems may not be significant. The Subcommittee plans to do more research on the standard search logic used by filing offices nationally. It is considering suggesting a safe harbor approach to debtors' names, such as relying on drivers' licenses for individuals, incorporation documents for corporations, etc.

### 2. Commercial Money Center Case and article:

Vasco Morais reported that he received helpful comments from Don Rapson (a PEB member) and Bob Ihne (General Counsel for CIT), both of whom had actively participated in the Listserv discussions of the case. As a result of their comments, he intends to do additional research and some revision of the article before submitting it for publication.

3. **Hidden Liens Project:** Elliot Hinds reported that he has circulated a draft report to members of the Subcommittee and anticipates distributing something to the entire Committee in late March or April. There was some discussion regarding using volunteers from the Insolvency Law Committee to help perform a "quality control" check on the substance of the report.

4. **Website Development and E-Communications Subcommittee:** Vasco Morais reported that there remain significant problems in achieving some of the Committee's goals with respect to updating the Website due to issues at the BLS level. Not all of the Subcommittee's update work has been posted. He has also been working with the BLS's webmaster, Michael Mullen, regarding the technical side of the "Ask the Expert" project, but believes that the Committee should move forward with gaining Executive Committee approval while he continues to work on the technical issues.

5. Report on UN Convention on the Assignment of Receivables in International Trade: Jim Cochran and Wansun Song briefly summarized the interesting presentation by Steve Wiese, Ed Smith and Neil Cohan regarding the UN Convention on the Assignment of Receivables in International Trade. He noted that over fifty countries participated in negotiations, culminating in a compromise that emphasizes respect for a choice of law provision that will determine which system of law will govern the validity and priority of such assignments. The Treaty must be ratified by five countries before it becomes effective; to date only one country has officially ratified.

#### **C. SUBCOMMITTEE AND OTHER REPORTS:**

1. Legislation and Case Law Tracking Subcommittee: Wansun Song reported that Western State University's librarian, who conducted searches for the Committee when Jim Hayes was a member, will again be conducting searches on a bi-monthly basis.

2. Uniform Assignment of Rents Subcommittee: Wansun Song reported that he anticipates a draft report will be ready to be distributed to the Committee by the end of February.

3. Deposit Control Agreements: Brenda Ruttenberg reported that Harry Sigman had determined that the draft agreement discussed at the Committee's last meeting was an early draft and did not require Committee comment. There was no update from the ABA Committee after its recent meeting. Jim will touch base with Harry Sigman to see if he has heard anything.

4. Publications and Programs Subcommittee: Barry Graynor reported that he has submitted a proposal for a joint presentation with the Corporate Law Departments Committee at the State Bar Annual Meeting. The presentation would be a panel covering a variety of topics, including legislative developments regarding pre-dispute jury waivers, hidden liens and other topics.

5. Liaison Subcommittee: Jan Kosel reported that liaisons reported as needed. John Oliphant agreed to serve as the liaison to the California Bankers Association.

6. E-Commerce Subcommittee: Troy Zander reported that the law in this area is relatively clear and the Subcommittee will be directing its attention to what people are doing under existing law, such as what forms are being used, what are best practices, etc. Accordingly, the Subcommittee's initial activities will be information-gathering in nature. He encouraged members to submit suggestions for specific Subcommittee projects.

7. BLS Model Opinion Project: Jim Cochran reported that Jerry Grossman has not updated him on any progress to date.

#### **D. LIAISON UPDATES**

1. Executive Committee Liaison. There was no report.

2. Insolvency Law Committee Liaison. Ellen Friedman attended on behalf of the Insolvency Law Committee. She reported that the ILC is working on two affirmative legislative proposals.

3. Other Liaisons. There were no other liaison reports.

## **E OTHER ITEMS NOT ON AGENDA**

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The meeting was adjourned at approximately 11:30 p.m.

### Attendance at the February 20, 2007 Meeting:

Jim S. Cochran	Present
Barry A. Dubin	Present
Janice E. Kosel	Present
Wansun Song	Present
Harry C. Sigman	Absent
Ariel Berrios	Absent
Kevin C. Cops	Absent
Patrick Costello	Absent
Jennifer Dinkelman	Absent
Francis X. Ferrer	Absent
Barry A. Graynor	Present
Elliott Hinds	Present
Vasco H. Morais	Present
John C. Oehmke	Present
Theotis F. Oliphant	Absent
Brenda H. Ruttenberg	Present
Robert Sherman	Absent
Robert A. Trodella, Jr.	Present
Demetria Vong-Spillan	Absent
Edith R. Warkentine	Present
Troy Zander	Present
Pauline M. Stevens (Ex Com Liaison)	Absent
Ellen Friedman (Insolvency Law Committee liaison)	Present
Nina Hong (Corporations Committee liaison)	Present